BEFORE THE
UNITED STATES TRADE REPRESENTATIVE
WASHINGTON, D.C.

PUBLIC DOCUMENT

CERTAIN STEEL PRODUCTS	)
Exclusion Requests	)

SANDVIK STEEL COMPANY'S COMMENTS ON PRESIDENTIAL ACTION UNDER SECTION 203(a) OF THE TRADE ACT

William Silverman
Douglas J. Heffner
Richard P. Ferrin
Michelle R. Wildstein
Hunton & Williams
1900 K Street, N.W.
Washington, D.C. 20006
Counsel to Sandvik Steel Company

January 4, 2002

TABLE OF CONTENTS

I. SUMMARY OF ARGUMENTS

The President should exclude certain cold-rolled and long products imported by Sandvik, as described in our submission to the United States Trade Representative ("USTR") dated November 13, 2001, from any relief under section 203(a) of the Trade Act of 1974, 19 U.S.C. § 2253(a), for the following reasons. The attached letters from purchasers make our case.

- Sandvik produces high quality specialized carbon & alloy flat and long steel products that are not produced in commercially viable quantities by domestic producers.
- Domestically produced products are not suitable substitutes for Sandvik products.
- Purchasers of Sandvik's products would be seriously injured if Sandvik's products were included in any relief recommendations submitted to the President.

Domestic integrated mills have acknowledged that they do not make these products. Two re-rollers claim to make these products but aside from a simple sentence ("can make it") they provide no supporting records, documents or data. In contrast, several customers have informed the USTR that they have tried to find a domestic supplier but none meet their technical specifications or the specifications of their customers. We submit that on this factual issue of what domestic producers do make, USTR should rely on the experience of purchasers, rather than simple, unsupported sentences of a domestic company.

II. SUMMARY OF LEGAL PRINCIPLES

In an investigation under Section 201 of the Trade Act, the International Trade Commission (the "Commission") must determine whether "an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the

imported article," 19 U.S.C. § 2252(b)(1), and recommend to the President proper remedial action in the event that it makes an affirmative injury determination. 19 U.S.C. § 2252(e). The President, upon receipt of such a recommendation, shall take such appropriate and feasible action as he determines will "facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs." 19 U.S.C. § 2251. In making such a determination, the President shall take into account the effects of the relief on consumers in the domestic market. 19 U.S.C. § 2253(a)(2)(F)(ii).

The President has discretion to exclude from any relief proclamation products that are not produced by the domestic industry. The importation of such products has no adverse impact on the domestic industry because the domestic industry does not compete for the sales of such products. Such importation, however, greatly benefits domestic consumers who would otherwise be unable to acquire these products. Any import relief imposed against such products would not facilitate adjustment efforts by the domestic industry, but would have a detrimental effect on domestic consumers of the products by hindering their ability to compete effectively in their industries. Accordingly, Sandvik therefore requests that the President exclude such products from any relief proclamation.

III. THE PRESIDENT SHOULD EXCLUDE FROM ANY IMPORT RELIEF CERTAIN SPECIALIZED HARDENED AND TEMPERED CARBON & ALLOY PRODUCTS PRODUCED BY SANDVIK

Sandvik Steel AB ("Sandvik") of Sweden produces and imports through Sandvik Steel Company small volumes of specialized cold-rolled, hardened and tempered ("H/T") carbon & alloy products for which no significant domestic production exists. These specialized products consist of (1) woodband saw steel; (2) grade 20C for flapper valve, shock absorber valve and doctor blade steel; (3) cement kiln steel; and (4) die steel. Please refer to our submissions to the

USTR of November 13, 2001. For a number of years, Sandvik has been a valuable supplier of these niche products to domestic purchasers. Sandvik also notes that the products for which it is seeking exclusion represent no threat to the domestic industry. To help put Sandvik's claim into perspective, certain figures are worth considering. Specifically, Sandvik imported 1,619 short tons of cold rolled steel in 2000. According to the ITC Staff Report for this investigation, total U.S. domestic consumption of cold rolled steel products in 2000 was nearly 40 million short tons.[1] Imports of cold rolled steel totaled 2.76 million short tons.[2] As a percentage of total U.S. consumption, the Sandvik products that are the subject of this exclusion represent a miniscule .00004 percent. As a percentage of total imports, Sandvik's products represent only .059 percent. It is difficult to imagine how imports in such small quantities that are not even manufactured in the United States could be a source of injury to domestic producers. Because its cold-rolled H/T products are unavailable from domestic sources and are necessary to the operation of certain domestic manufacturers, Sandvik respectfully requests that the President exclude these products from any import relief.

A. The President Has Discretion To Exclude From Import Relief Certain Specialty Products Imported Into The United States But Unavailable From Domestic Sources

The President has authority under Section 201 of the Trade Act to exclude from import relief imports of specialty products, which, while technically within the scope of the investigation, are non-injurious because they are not produced in the United States, or are not produced in the United States to quality or quantity levels required by domestic consumers. In a

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[1] ITC Pre-hearing Staff Report at Table Flat-C-8.

[2] *Id.*

Section 201 investigation, the Commission must first determine whether "an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article." 19 U.S.C. § 2252(b)(1). Having come to an affirmative conclusion, the Commission must then recommend proper remedial action to the President. 19 U.S.C. § 2252(e). The President, upon receipt of such a recommendation, shall take such appropriate and feasible action as he determines will "facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs." 19 U.S.C. § 2251. In making such a determination, the President shall take into account the effects of the relief on consumers in the domestic market. 19 U.S.C. § 2253(a)(2)(F)(ii).

Sandvik notes that the Commission has considered the effects of import relief on consumers in determining whether to exclude certain products from relief recommendations in previous Section 201 investigations. In *Certain Steel Wire Rod*, Vice Chairman Miller and Commissioner Koplan, in a view later adopted by the President, recommended the exclusion of certain specialty wire rod products.[3] They stated that "the exclusion of certain specialty products further limits the impact of the remedy on purchasers of wire rod products that are either not available from domestic suppliers or are not available in commercially significant volumes.[4] Vice Chairman Miller and Commissioner Koplan thus recognized that relief should not be

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[3] Certain Steel Wire Rod, TA-201-69, USITC Pub. 3207 (Jul. 1999) at I-56 (separate views of Vice Chairman Miller and Commissioner Koplan).

[4] *Id.*

imposed on certain specialty products that are unavailable from domestic producers because such relief would unfairly affect consumers. The President should do likewise in the instant case.

The President has discretion to exclude specialty products from import relief when such products would not facilitate adjustment efforts by the domestic industry because the domestic industry does not produce substitute products. Such relief would have a detrimental effect on domestic consumers by limiting the availability or increasing the cost of products necessary to their survival. Their ability to compete effectively in their industries would therefore be severely limited. The President has the authority to exclude such products from import relief in order to avoid unnecessarily injuring downstream domestic industries, and should exercise such authority in the instant case to exclude specialized carbon & alloy products produced by Sandvik.

Sandvik notes that in its June 22, 2001 letter to the Commission, the USTR excluded from the scope of the investigation certain bandsaw, flapper valve and doctor blade steel products that are simply variants of the products discussed herein. Specifically, Sandvik's woodband saw product differs only slightly with respect to chemical composition from the product excluded, Sandvik's flapper valve steel product is simply a wider version of the grade 20C product that has already been excluded, and the downstream product of Sandvik's grade 20C H/T doctor blade product has already been excluded. Sandvik's woodband saw and flapper valve steel products appear to have been subject to inclusion in the Section 201 case based on an arbitrary chemical composition, and width designation cutoffs based on applications provided by other foreign producers in previous antidumping cases involving cold-rolled products from countries other than Sweden. These products do not compete with U.S.-produced products because no U.S. company manufactures them. The U.S. industry does not, and cannot explain why the exclusions already granted are legitimate but Sandvik's exclusion requests for minor

variants on the same product are somehow illegitimate. Therefore, given the previous exclusions of bandsaw steel and grade 20C steel for flapper valves and doctor blades, Sandvik seeks the denial of any import relief with respect to variants of these products that Sandvik produces and that are not produced in the United States. Sandvik provided detailed product specifications in its exclusion request brief filed with the USTR on November 13, 2001. As such, it is not resubmitting this technical information with these comments.

B. Sandvik Produces And Imports Specialty Carbon & Alloy Products Unavailable From Domestic Sources

Sandvik produces and imports into the United States, among other things, the following cold-rolled H/T products: woodband saw steel; grade 20C steel for flapper valve, shock absorber and doctor blade products; cement kiln steel; and die steel. There is no domestic production of almost all of these products. Even where an arguably comparable product is produced domestically, the domestic producer has shown no interest in supplying the product on a commercial scale, or has supplied a product which is unsatisfactory to the consumer. Specifically, it is impossible to obtain domestically produced products of the kind Sandvik imports, which typically must be of a certain high quality. Though not produced domestically, or not supplied by domestic producers at acceptable quality levels or in appropriate quantities, the products discussed herein are required in the operations of numerous domestic purchasers.

Several Sandvik customers submitted letters to the USTR in connection with this investigation. Many indicated that there are no alternative domestic sources of products, and that their companies are required to purchase from Sandvik for reasons unrelated to price. Specifically, domestic products are either unavailable, or if available, of inferior quality compared to Sandvik products. Many also stated that purchasing the product in question is

critical to their company's manufacturing process, and that the financial health of their companies depends on the ability to procure Sandvik products to manufacture their products, since they would be unable to compete in the marketplace absent the ability to purchase Sandvik's quality products. For these reasons, even if domestic products were available, they are not suitable substitutes for the products that Sandvik is seeking to exclude.

In their response to the exclusion requests that Sandvik submitted on November 13, 2001, Bethlehem Steel Corporation, LTV Steel Company, Inc., National Steel Corporation and United States Steel, LLC, ("Domestic Producers") do not object to the Sandvik's exclusion requests.[5] Instead they indicated that perhaps cold-rolled strip re-rollers may produce these items. The Domestic Producers did not address the exclusion request for die steel. Sandvik therefore interprets this omission as a lack of objection to the exclusion of die steel from import relief.

The Association of Cold Rolled Strip Steel Producers (the "Association"), asserts that certain domestic producers do manufacture the products that Sandvik seeks to exclude, but their assertions are unsupported and incorrect. The Association presents no records of such sales, no information showing technical capabilities, no offers for sales, no plan to acquire the technology or equipment. Nothing. Nothing except a simple declarative statement that domestic producers do or can make a product. Basic notions of due process and minimal analytical standards in trade policy decisions should require more than domestic mills merely saying that they "can make the product." When customers tell the USTR and ITC that they have tried domestic mills but the domestic product does not work, or that purchasers of their product specify that a foreign mill's

[5] *See* Domestic Industry Response to Product Exclusion Requests Filed on Behalf of Bethlehem Steel Corporation, LTV Steel Company, Inc., National Steel Corporation and United States Steel, LLC, (Dec. 5, 2001) (identified on the USTR website as ER-068) at 20-28.

substrate is required, when domestic mills do not offer a product or refuse to respond to a request for a purchaser, what weight should be placed on a domestic mill's simple declarative statement that it "can make it?"

The commercial reality is best described by purchasers who have to use a steel product and who would be in the best position to know what is offered by domestic suppliers. In these cases, purchasers have provided technical and commercial information that should be given more weight than "We can make it."

1. Woodband Saw Steel

The Association tells the USTR that Thompson Steel Company ("Thomas"), Theis Precision Steel Company, Inc. ("Theis"), and Greer Steel Company ("Greer") can manufacture woodband saw steel.[6] However, Theis tells a purchaser quite the opposite. In a letter to Simonds Industries ("Simonds"), a manufacturer of band saws and a Sandvik customer, Theis admits that it cannot make the product. Greer lacks H/T equipment, which is part of the specifications so one can only puzzle over its claim to make the product. In fact, since the Association's December 7, 2001 submission to the USTR, Greer has withdrawn its objection to Sandvik's exclusion request precisely because it does not produce steel that is hardened and tempered. *See* e-mail from Charles Maul, Vice President of Sales, Greer Steel Company, to Gary Schlager, Sandvik Steel Company, Jan. 3, 2002, attached hereto as Exhibit 1. As to Thompson, the proof is in the customer's experience. On November 7, 2001, Simonds submitted a letter to the USTR

[6] *See* Certain Steel Products: Response to Requests for the Exclusion of Specific Products From Any Action Under Section 203 of the Trade Act, (Dec. 7, 2001), (found on the USTR website as ER-073-ACRSSP.pdf) at 18.

requesting an exclusion for Sandvik's woodband saw product. In the letter Kenneth R. Myer describes why Simonds needs a product of superior quality, and states that no domestic producers of woodband saw steel currently exist. Mr. Myer further states that one hundred percent of Simond's band saw production relies on imported steel for band saws, because "no U.S. mill can or will produce band saw steel." He asks that "no relief be granted for this band saw material, as there is no domestic supplier available that manufactures this product." Letter to the Honorable Robert B. Zoellick, U.S. Trade Representative, from Kenneth R. Myer, Simonds Industries, Inc. (Nov. 7, 2001), attached as Exhibit 2. In addition, Mr. Myer notes that Simonds' two attempts to use domestic suppliers of band saw steel were unsuccessful because neither could meet the required quality specifications. One of these domestic suppliers, Theis Precision Steel, has even admitted that it cannot make a wide woodband saw steel product that is acceptable to Simonds. In a December 21, 2001 letter, Theis President and COO Richmond Glover states that Theis has attempted to produce woodband steel for Simonds Industries but was unsuccessful and as such could not be a supplier to Simonds. Mr. Glover also states that Theis expects that at some point it "will make the investments necessary to produce a Wood Band steel acceptable to the market." Letter from Richmond W. Glover to Whom it May Concern, (December 21, 2001), attached as Exhibit 3.

Another Sandvik customer, CUT Technologies, submitted a letter to the USTR describing why it also relies on Sandvik's high quality woodband saw product. Mr. Mike Cloutier, President of Cut Technologies, a manufacturer of high quality band and round saws for the lumber industry, stated in a letter to the USTR that there is no U.S. steel producer that is capable of producing woodband products of sufficient quality. Letter to the Honorable Robert B. Zoellick, from Mike Cloutier, Cut Technologies, (Nov. 12, 2001), attached as Exhibit 4.

Woodband saw products are specialized products that are provided in a limited marketplace, and U.S. producers lack both the equipment and technology to roll steel suitable to make woodband saw steel for the primary lumber industry. Production of the thinner and flatter blades the industry demands requires a very high grade material, which domestic producers simply do not produce. Because of the lack of domestic production, Cut Technologies has never purchased woodband products from a domestic producer, despite efforts to do so. According to Mr. Cloutier, three companies in the world, Sandvik, Daido Steel Company, Ltd. and Martin Miller, all located outside the United States, are capable of supplying woodband saw products of the requisite quality.

Sandvik notes that in the cold-rolled steel antidumping duty investigation, the petitioners recently decided to exclude from the scope of the investigation certain band saw steel of a specific chemistry. Notice of Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey and Venezuela, 66 Fed. Reg. 54198, 54202 (Dept. of Comm., Oct. 26, 2001), appended hereto as Exhibit 5. Also, as noted above, certain woodband saw steel has already been excluded from the Section 201 investigation. The existing exclusion covers one of Sandvik's woodband saw steel grades, but not the other grade, which the domestic industry also does not make. Because the domestic industry excluded a slightly different variation of this product from the recent cold-rolled antidumping duty investigation and Section 201 investigation, and because the domestic industry does not make woodband saw steel at all, the domestic industry has no need for import relief for this product.

2. Grade 20C Steel for Flapper Valves

The Association claims that Thompson produces flapper valve steel.[7] If Thompson is in fact capable of producing this product, it should be required to do more than simply assert that it "can make it." Evidence that would substantiate Thompson's claim, in the form of customer purchase orders, for example, is noticeably absent.

In a letter submitted to the USTR, George Singos of DE-STA-CO Manufacturing, a global manufacturer or certain valve, tubular and other critical performance components for a variety of industries, describes that it purchases the majority of its flapper valve steel to manufacture air conditioning units for the automotive industry from Sandvik. Letter to the Honorable Robert B. Zoellick, U.S. Trade Representative, from George Singos, DE-STA-CO (Nov. 7, 2001), attached as Exhibit 6. Mr. Singos says in his letter that it is critical that the quality of the steel used to make flapper valves for air conditioning compressors be of superior quality. Moreover, DE-STA-CO's customers specifically instruct it to purchase flapper valve steel only from certain approved suppliers (Sandvik). Mr. Singos further noted that Sandvik is one of the only companies in the world that is capable of supplying the quality of flapper valve steel that DE-STA-CO needs. Mr. Singos states that he knows of no U.S. mills that produce this product.

Mr. Richard Vonderheide, of the Fusite Division of Emerson Electric, also confirms that no domestic manufacturers of flapper valve steel exist. He states in a letter to the USTR that his company purchases about $1 million per year in flapper valve steel from Sandvik, to

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[7] *Id.* at 19.

manufacture air conditioner compressors. Letter to the Honorable Robert B. Zoellick, U.S. Trade Representative, from Richard Vonderheide, Fusite, (Nov. 7, 2001) attached as Exhibit 7. Mr. Vonderheide cites two primary reasons that Fusite purchases from Sandvik: (1) because Fusite's customers specify the supplier of steel that it must use for the flapper valves, and (2) because there are only three suppliers of flapper valve steel in the world of which Fusite is aware, including Sandvik. Mr. Vonderheide states that he too is unaware of any domestic producers of flapper valve steel, in part because the product is extremely difficult to produce, due to its specifications for flatness and cleanliness. Moreover, because flapper valve steel is a specialized product, the market for it is much smaller than the market for normal steel. Mr. Vonderheide thus believes that any recommendation for import relief on flapper valve steel would only serve to hurt Sandvik's customers such as Fusite by allowing Fusite's competitors in other countries to sell their products in the United States at a cost advantage.

Sandvik notes that in the cold-rolled steel antidumping duty investigation, the petitioners recently decided to exclude from the scope of the investigation certain flapper steel. Notice of Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey and Venezuela, 66 Fed. Reg. 54198, 54199 (Dept. of Comm., Oct. 26, 2001), appended hereto as Exhibit 5. Also, as noted above, certain flapper valve steel has already been excluded from this Section 201 investigation. The existing exclusion covers flapper valve steel under 6 inches, narrower than the product subject to this request, but the domestic industry does not make the wider product either. Because the domestic industry excluded a different width of certain flapper valve steel from the recent cold-rolled

antidumping duty investigation and Section 201 investigation, and because the domestic industry does not make flapper valve steel in any width, the domestic industry has no need for import relief for this product.

3. Grade 20C Steel for Shock Absorber Valves

The Association claims that the technical specifications that Sandvik submitted for grade 20C steel for shock absorbers are too vague and that absent more specific information, Theis and Thompson are domestic producers shock absorber valve steel.[8] There are no domestic producers of shock absorber steel. Worldwide there are only 6 major companies that can produce this product for the shock absorber industry. They are as follows: Sandvik, Hitachi (Japan), Uddeholm (Sweden), Westig (Germany, Eberle (Germany), and Theis (Germany). Again, if it is true that Thompson and Theis actually manufacture a grade 20C steel that is suitable to manufacture shock absorbers, public policy considerations should require that these companies do more than simply state that they can make the product. Sandvik's customers have written to the USTR describing why they rely on Sandvik's grade 20C material for shock absorbers.

In a letter to USTR, Mr. Kenneth Conrad of Tokico (USA) Inc., requests that an exemption be granted for specific high carbon steel that his company purchases from Sandvik. Letter to the Honorable Robert B. Zoellick, U.S. Trade Representative, from Kenneth Conrad, Tokico (USA) Inc., (Nov. 9, 2001), attached as Exhibit 8. Tokico buys high carbon steel from Sandvik for use in the valving function of shocks and struts it manufactures for its customer, the American Automobile Manufacturers (O.E.M.). Mr. Conrad states that purchasing Sandvik's

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[8] *Id.*

products "assures a high quality of functionality." He also states that Tokico has not found a domestic producer of the product that can assure the equivalent grade and quality of Sandvik material.

Delphi Automotive Systems ("Delphi") is another Sandvik customer that purchases grade 20C steel for the manufacture of shock absorber valves. In a letter to the USTR, Delphi states that no domestic producers are certified to supply Delphi with grade 20C steel for shock absorber valves. Letter to the Honorable Robert B. Zoellick, U.S. Trade Representative, from Eric Sandford, Delphi, (November 13, 2001), attached as Exhibit 9.

4. Grade 20C Steel for Doctor Blades

Sandvik's grade 20C steel for doctor blade applications has the same alloy composition as its grade 20C steel used for shock absorbers. The Association also claims that the technical specifications that Sandvik submitted for grade 20C for doctor blade applications are too vague, and that absent more specific information, Theis and Thompson can manufacture doctor blade steel.[9] There are no domestic producers of grade 20C steel for doctor blade applications. Just as with the other products discussed in this brief, if Theis and Thompson do manufacture this product in commercial quantities, they should be required to provide some evidence, such as customer purchase orders or invoices.

One of Sandvik's customers, the Max Daetwyler Corporation, submitted a letter to the USTR requesting that no import relief be granted for Sandvik's doctor blade steel. Letter to The Honorable Robert B. Zoellick, U.S. Trade Representative, from Mark Shores, Max Daetwyler

[9] *Id.*

Corporation, (Nov. 8, 2001), attached as Exhibit 10. In the letter, Mr. Shores states that his company is unable to purchase doctor blade steel of the requisite quality from any domestic source, and that Sandvik is one of only two companies in the world that produce the product to the quality specifications his company needs to manufacture its product.

5. Cement Kiln Steel

The Association claims that Theis and Thompson manufacture cement kiln steel.[10] There are no domestic producers of cement kiln steel. Worldwide there are several other major companies that can produce this product to the quality requirements. There is no U.S. production of this product, nor are there any U.S.-produced substitutes for this product. If Theis and Thompson do in fact produce cement kiln steel in commercial quantities, these companies should be required to provide some evidence supporting their claims, such as customer purchase orders or invoices.

6. Die Steel

The Association claims that Theis and Thompson manufacture die steel.[11] There are no domestic producers of die steel. To make die steel products, the mills need to have be equipped with a combination of technical competence and production technique on site to undertake the following operations: (1) bainite hardening; (2) controlled decarburization; (3) profile rolling; (4) controlled edge grinding. There are no U.S. mills that can undertake all four of these operations, which are essential to a mill's capability to produce a die steel product. There is no U.S.

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[10] *Id.*

[11] *Id.* at 20.

production of die steel. There are no U.S.-produced substitutes for die steel. There is also at the present time, a lack of evidence, other than the statements of Theis and Thompson, that these companies do in fact produce die steel in commercial quantities. Sandvik reiterates that these companies should be required to provide some evidence such as customer purchase orders or invoices to refute Sandvik's claim.

C. Because Domestic Products Are Not Suitable Substitutes For Sandvik's Products, They Should be Excluded From Any Import Relief

Sandvik's products are sold in the United States to purchasers who manufacture products for resale to other U.S. customers. Such customers purchase Sandvik's products either because Sandvik is one of the only companies in the world to manufacture the product, or because Sandvik is one of only a few companies that manufacture the product to the particular degree of quality. For many of Sandvik's U.S. customers, substituting products manufactured by the domestic industry is simply not an option.

Any import relief imposed against Sandvik's products will prevent the Sandvik customers mentioned above from manufacturing the quality products for which they are known, which could eventually drive them out of business. The purchasers who submitted letters to the USTR in connection with this investigation reiterated that there are no U.S. producers of the Sandvik products discussed above.

In summary, numerous customers have told the USTR that they turn to Sandvik because no domestic producer meets their specifications. As they stated in their letters, Sandvik's U.S. customers rely on Sandvik's products to remain competitive. If they are forced to pay a duty as proposed by the ITC, their businesses will suffer with reduced sales or they may close altogether. Accordingly, Sandvik's woodband saw, grade 20C steel for flapper valves, shock absorber

valves, and doctor blades, as well as cement kiln and die steel products should be excluded from any import relief.

IV. CONCLUSION

For the foregoing reasons, Sandvik respectfully requests that the President exclude the following products from any import relief proclamation under section 203(a): (1) woodband saw steel; (2) grade 20C steel for flapper valves; (3) grade 20C steel for shock absorbers; (4) grade 20C steel for doctor blades; (5) cement kiln steel; and (6) die steel.

Respectfully submitted,

William Silverman
Douglas J. Heffner
Richard P. Ferrin
Michelle R. Wildstein
Hunton & Williams
Counsel to Sandvik Steel Company

TABLE OF EXHIBITS

EXHIBIT 1

"Charles Maul" <cmaul@greersteel.com>

To: <gary.schlager@sandvik.com>
cc:
Fax to:
Subject: Product Exclusion Woodban Saw Steel

01/03/02 03:34 PM

Dear Gary,
Please be advised Greer Steel has withdrawn any reference to Woodban Saw Steel as we cannot produce it.Greer Steel does not harden and temper steel.
If you have any further questions please call.
Best Regards,
Charles Maul
V.P. Sales

EXHIBIT 2

SIMONDS®
www.simonds.cc

SIMONDS INDUSTRIES INC.
135 Intervale Road
P.O. Box 500
Fitchburg, MA 01420
Tel. (978) 343-3731
Fax (978) 343-3489

KENNETH R. MYER
Vice President-Procurement

November 7, 2001

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Zoellick:

My name is Kenneth R. Myer and I am Vice President of Procurement for Simonds Industries, Inc. located in Fitchburg, Massachusetts. We are a 169 year old company for industrial cutting tools. I have worked for Simonds and have been involved in the wood cutting industry for almost 30 years. I have been purchasing cold-rolled steel for band saws for over 15 years. One hundred percent of our band saw production relies on imported cold-rolled steel for band saws, because no U.S. mill can or will produce band saw steel. We purchase approximately one million pounds of 2% Nickel and run Nickel material for the wide wood band cutting industry from Sandvik in Sweden because we have not been able to find a domestic producer that will meet our specifications. Our band saws are used in the sawmill industry to cut logs into lumber. This is a very specialized type of steel and there is very small demand for it worldwide. That is why there are so few producers of this steel. We request that no relief be granted for this band saw material, as there is no domestic supplier available that manufactures this product.

Wood band saw steel is a high-carbon steel that is heat-treated, tempered and polished. It has to be able to bend and withstand a tremendous amount of pressure. The saw is bent around two wheels. These wheels stretch the blade and apply from 10,000 to 20,000 pounds per square inch of pressure. We require a very specific chemistry to prevent this blade from breaking and not only stopping production in the mill, but also potentially injuring the workers. The two wheels stretch the blade very tight and it is only this pressure that keeps the saw on the wheels. The wheels stretch the center of the blade longer than both of the sides in order to keep it on the wheels. Because of the high demands that are placed on this saw, it requires a consistent molecular structure throughout the saw. When making a band saw, we must stretch and flatten the band saw steel until it is very thin and flat. It is important that the material stretches evenly across it and it must stay very flat. There are very tight specifications on these band saws. Virtually no steel mill can make the steel straight enough, so we must straighten it before making the band saws. To our knowledge, there is no substitute to this steel for this industrial wood cutting application.

Theis Precision Steel in Bristol, Connecticut tried to supply us with band saw steel, but they were unable to correctly manufacture this product. Theis is, in fact, our largest supplier of strip steel for other products manufactured by Simonds. There is only one other potential domestic supplier of band saw steel -- Nedwick Steel Company in Wisconsin. We purchased some band saw steel from them in 1998 to do a trial run. We found that there were tensioning problems and their steel did not meet our specifications. The quality was not high enough for us to manufacture band saws. We spoke with Nedwick Steel at the time and they agreed that there were problems with the steel and that it did not meet our specifications. They gave us a credit for the band saw steel we had purchased and we scrapped the remaining steel from Nedwick. Because Nedwick Steel is pricing lower than imports from Japan or Europe, we have been very eager to buy their steel. We informed them that whenever they feel their steel will meet our specifications that we are more than willing to do another trial. I recently spoke with Nedwick Steel and they informed me that they are not yet ready for another trial. We are totally reliant on imports of band saw steel as there is no domestic supplier that can meet our specifications.

We in the industrial wood cutting business have been in a recessionary period since mid-2000. Any increase in the duty on this product will impact the competitiveness of our product against other technologies for cutting wood. There is no U.S. producer who makes band saw steel. Placing tariffs and quotas would not help the domestic producers, because there are no domestic producers. Tariffs and quotas would only hurt our business as well as all of the U.S. band saw operations. Band saw steel is a specialty product that should be excluded from this Steel 201 investigation.

Sincerely,

Kenneth R. Myer

EXHIBIT 3

THEIS *PRECISION STEEL CORPORATION*
300 Broad Street • Bristol, CT 06010-6659
Tel. (860) 589-5511 Fax: (860) 589-7411

December 21, 2001

To Whom It May Concern:

RE: Trade Case for Cold Rolled and 201 Trade Case
Product: Wide Wood Band Steel – 2 ½% Nickel – 4 1/8" wide and wider

Theis Precision Steel Corporation has attempted to produce Wood Band steel for Simonds Industries, but was unsuccessful and therefore could not be considered to be a supplier at this time.

It is expected that at some point in the future, we will make the investments necessary to produce a Wood Band steel acceptable to the market.

If there are any questions, please feel free to contact us.

Sincerely,

Richmond W. Glover

Richmond W. Glover
President & COO

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Attachments

EXHIBIT 4

November 12, 2001

Ambassador Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Re: Section 201 Investigation - Case No. TA-201-73

Dear Ambassador Zoellick:

My name is Mike Cloutier and I am the President of Cut Technologies, the manufacturer of high quality band and round saws for the lumber industry. We have been providing saws to the American and Canadian lumber industries for many years by combining saws made out of the finest European steel with the latest innovations in saw design. We place a high premium on our ability to manufacture saws that are of the highest quality. We are therefore writing this letter to explain why obtaining Sandvik steel is critical to our business and to ask that you exclude Sandvik's wood band saw steel from any relief action you recommend to the President in the Section 201 case.

We have been purchasing wood band saw steel from Sandvik for six (6) years. Wood band saw steel is a specialized product that is provided in a limited marketplace, and U.S. producers lack both the equipment and technology to roll steel that is suitable to manufacture products for the primary lumber industry.

Today our customers demand thinner and flatter blades, which we manufacture using a very high grade of material that domestic producers simply do not produce. We have tried in the past to purchase wood band saw steel from domestic producers, but have never been able to do so. We have contacted a U.S. supplier with our needs, and have not seen any resulting attempts to make steel to our strict market driven standards.

Because there are no U.S. producers of the quality of wood band saw steel that we need, we must procure band saw steel from foreign suppliers. To the best of my knowledge, only three or four companies in the world, (Sandvik, Uddeholm, Daido and Martin Miller), are capable of supplying wood band saw steel of the requisite quality. Restricting imports of band saw steel from Sandvik would only serve to hurt our ability to produce a quality product. This is because our customers specify that we purchase wood band saw steel only from certain approved purchasers, including Sandvik.

For these reasons we hope that you will exclude wood band saw steel from any relief recommendations you make to the President. Please do not hesitate to contact me at (360) 733-0460 if you have questions or would like any additional information.

Regards,

Mike Cloutier
President

CUT TECHNOLOGIES USA, INC.
3254 Bennett Drive
Bellingham, WA 98225
1-800-435-4370 • Fax: (360) 733-0618

COUGAR THERMEX
www.cuttech.com

CUT TECHNOLOGIES CANADA LTD.
343 Dawson Ave.
Penticton, B.C. V2A 3N5

EXHIBIT 5

copies in paper form. We request that documents filed in electronic form be on DOS formatted 3.5' diskettes and prepared in either WordPerfect 9 format or a format that the Word Perfect program can convert and import into Word Perfect 9. Please submit comments in separate files on the diskette.

Comments received on diskette will be made available to the public on the Internet at Import Administration's website, *http://ia.ita.doc/gov*. Paper copies will be available for reading and photocopying in the Central Records Unit, Room B–099, U.S. Department of Commerce, Pennsylvania Avenue and 14th Street, NW., Washington, DC 20230. Any questions concerning file formatting, document conversion, access on the Internet, or other file requirements should be addressed to Andrew Lee Beller, Import Administration Webmaster, (202) 482–0866.

Hearing

After reviewing all comments and rebuttal comments, the Department will determine if a public hearing is warranted, and, if so, will announce a place and time for that hearing.

This determination is issued and published in accordance with section 771(18)(c)(ii).

Dated: October 19, 2001.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 01–27056 Filed 10–25–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–870]

Notice of Postponement of Preliminary Antidumping Duty Determination: Certain Circular Welded Carbon-Quality Steel Pipe From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of postponement of preliminary determination of antidumping duty investigation.

SUMMARY: The Department of Commerce ("the Department") is extending the time limit for the preliminary determination of the investigation of certain circular welded carbon-quality steel pipe from the People's Republic of China ("China").

EFFECTIVE DATES: October 26, 2001.

FOR FURTHER INFORMATION CONTACT: Robert Bolling, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3434.

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations codified at 19 CFR part 351 (2000).

Postponement of Determination Results

The Department has determined that this case is extraordinarily complicated and additional time beyond the current October 31, 2001, deadline is necessary to make the preliminary determination. *See Decision Memorandum from Joseph A. Spetrini, Deputy Assistant Secretary, Enforcement Group III to Faryar Shirzad, Assistant Secretary for Import Administration,* October 17, 2001. The Department is postponing the preliminary determination until 190 days after initiation in accordance with section 733(c)(1)(B) of the Act.

The deadline for the final determination will continue to be 75 days after the date of the preliminary determination.

Dated: October 18, 2001.

Faryar Shirzad,

Assistant Secretary for Import Administration.

[FR Doc. 01–26938 Filed 10–25–01; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–357–816, A–602–804, A–423–811, A–351–834, A–427–822, A–428–834, A–533–826, A–588–859, A–580–848, A–421–810, A–614–803, A–570–872, A–821–815, A–791–814, A–469–812, A–401–807, A–583–839, A–549–819, A–489–810, A–307–822]

Notice of Initiation of Antidumping Duty Investigations: Certain Cold-Rolled Carbon Steel Flat Products From Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Initiation of antidumping duty investigations.

EFFECTIVE DATE: October 26, 2001.

FOR FURTHER INFORMATION CONTACT: Barbara Wojcik-Betancourt (Argentina, Brazil, South Africa, Spain) at (202) 482–0629; Paige Rivas (Australia, India, Korea, New Zealand) at (202) 482–0651; Brian Ledgerwood (the Netherlands, Sweden) at (202) 482–3836; Fred Baker (France, Germany, the People's Republic of China, the Russian Federation) at (202) 482–2924; Michael Stollo (Japan, Thailand, Turkey, Venezuela) at (202) 482–5255; and Victoria Schepker (Belgium, Taiwan) at (202) 482–1756; Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

Initiation of Investigations

The Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930, as amended (the Act), by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are references to the provisions codified at 19 CFR Part 351 (2001).

The Petitions

On September 28, 2001, the Department of Commerce (the Department) received petitions filed in proper form by the following parties: Bethlehem Steel Corporation, LTV Steel Company, Inc., National Steel

Corporation,[1] Nucor Corporation, Steel Dynamics, Inc., United States Steel LLC., WCI Steel, Inc., and Weirton Steel Corporation[2] (collectively, the petitioners). The Department received information supplementing the petitions on October 12, 2001 and on October 18, 2001, petitioners submitted additional information concerning industry support.

In accordance with section 732(b) of the Act, the petitioners allege that imports of certain cold-rolled carbon steel flat products (cold-rolled steel) from Argentina, Australia, Belgium, Brazil, France, Germany, India, Japan, Korea, the Netherlands, New Zealand, the People's Republic of China, the Russian Federation, South Africa, Spain, Sweden, Taiwan, Thailand, Turkey, and Venezuela are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Act, and that such imports are materially injuring, or are threatening to materially injure, an industry in the United States.

The Department finds that the petitioners filed these petitions on behalf of the domestic industry because they are interested parties as defined in sections 771(9)(C) of the Act and have demonstrated sufficient industry support with respect to each of the antidumping investigations that they are requesting the Department to initiate. (*See* the *Determination of Industry Support for the Petitions* section below.)

Scope of Investigations

For purposes of these investigations, the products covered are certain cold-rolled (cold-reduced) flat-rolled carbon-quality steel products, neither clad, plated, nor coated with metal, but whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances, both in coils, 0.5 inch wide or wider, (whether or not in successively superimposed layers and/or otherwise coiled, such as spirally oscillated coils), and also in straight lengths, which, if less than 4.75 mm in thickness, having a width that is 0.5 inch or greater and that measures at least 10 times the thickness; or, if of a thickness of 4.75 mm or more, having a width exceeding 150 mm and measuring at least twice the thickness. The products described above may be rectangular, square, circular or other shape and include products of either rectangular or non-rectangular cross-section.

Specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, and motor lamination steels. IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. Motor lamination steels contain micro-alloying levels of elements such as silicon and aluminum.

Steel products included in the scope of this investigation, regardless of definitions in the Harmonized Tariff Schedules of the United States (HTSUS), are products in which: (1) Iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight, and; (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated: 1.80 percent of manganese, or 2.25 percent of silicon, or 1.00 percent of copper, or 0.50 percent of aluminum, or 1.25 percent of chromium, or 0.30 percent of cobalt, or 0.40 percent of lead, or 1.25 percent of nickel, or 0.30 percent of tungsten, or 0.10 percent of molybdenum, or 0.10 percent of niobium (also called columbium), or 0.15 percent of vanadium, or 0.15 percent of zirconium.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this investigation unless specifically excluded. The following products, by way of example, are outside and/or specifically excluded from the scope of this investigation:

- SAE grades (formerly also called AISI grades) above 2300;
- Ball bearing steels, as defined in the HTSUS;
- Tool steels, as defined in the HTSUS;
- Silico-manganese steel, as defined in the HTSUS;
- Silicon-electrical steels, as defined in the HTSUS, that are grain-oriented;
- Silicon-electrical steels, as defined in the HTSUS, that are not grain-oriented and that have a silicon level exceeding 2.25 percent;
- All products (proprietary or otherwise) based on an alloy ASTM specification (sample specifications: ASTM A506, A507);
- Non-rectangular shapes, not in coils, which are the result of having been processed by cutting or stamping and which have assumed the character of articles or products classified outside chapter 72 of the HTSUS;
- Silicon-electrical steels, as defined in the HTSUS, that are not grain-oriented and that have a silicon level less than 2.25 percent, and (a) fully-processed, with a core loss of less than 0.14 watts/pound per mil (0.001 inch), or (b) semi-processed, with core loss of less than 0.085 watts/pound per mil (0.001 inch);
- Certain shadow mask steel, which is aluminum killed cold-rolled steel coil that is open coil annealed, has an ultra-flat, isotropic surface, and which meets the following characteristics:
Thickness: 0.001 to 0.010 inch
Width: 15 to 32 inches

CHEMICAL COMPOSITION

Element	C
Weight%	<0.002%

- Certain flapper valve steel, which is hardened and tempered, surface polished, and which meets the following characteristics:
Thickness: ≤1.0 mm
Width: ≤152.4 mm

CHEMICAL COMPOSITION

Element	C	Si	Mn	P	S
Weight %	0.90–1.05	0.15–0.35	0.30–0.50	≤0.03	≤0.006

MECHANICAL PROPERTIES

Tensile Strength	≥162 Kgf/mm[2].

MECHANICAL PROPERTIES—Continued

Hardness	≥475 Vickers hardness number.

PHYSICAL PROPERTIES

Flatness	<0.2% of nominal strip width.

[1] National Steel Corporation is not a petitioner in the Japan case.

[2] Weirton Steel Corporation is not a petitioner in the Netherlands case.

Microstructure: Completely free from decarburization. Carbides are spheroidal and fine within 1% to 4% (area percentage) and are undissolved in the uniform tempered martensite.

NON-METALLIC INCLUSION

Sulfide Inclusion	≤0.04
Oxide Inclusion	≤0.05%

COMPRESSIVE STRESS: 10 TO 40 KGF/MM^2

Surface Roughness

Thickness (mm)	Roughness (μm)
t≤0.209	Rz≤0.5
0.209<t≤0.310	Rz≤0.6
0.310<t≤0.310	Rz≤0.7
0.440<t≤0.560	Rz≤0.8
0.560<t	Rz≤1.0

- Certain ultra thin gauge steel strip, which meets the following characteristics:

Thickness: ≤0.100 mm ±7%

Width 100 to 600 mm

CHEMICAL COMPOSITION

Element	C	Mn	P	S	Al	Fe
Weight %	≤0.07	0.2–0.5	≤0.05	≤0.05	≤0.07	Balance

MECHANICAL PROPERTIES

Hardness	Full Hard (Hv 180 minimum)
Total Elongation	<3%
Tensile Strength	600 to 850 N/mm^2

PHYSICAL PROPERTIES

Surface Finish	≤0.3 micron
Camber (in 2.0 m)	<3.0 mm.
Flatness (in 2.0 m)	≤0.5 mm.
Edge Burr	<0.01 mm greater than thickness
Coil Set (in 1.0 m)	<75.0 mm.

- Certain silicon steel, which meets the following characteristics:

Thickness: 0.024 inch ±.0015 inch

Width: 33 to 45.5 inches

CHEMICAL COMPOSITION

Element	C	Mn	P	S	Si	Al
Min. Weight %					0.65	
Max. Weight %	0.004	0.4	0.09	0.009		0.4

MECHANICAL PROPERTIES

Hardness	B 60–75 (AIM 65)

PHYSICAL PROPERTIES

Finish Smooth	(30–60 microinches).
Gamma Crown (in 5 inches)	0.0005 inch, start measuring one-quarter inch from slit edge.
Flatness	20 I–UNIT max
Coating	C3A–.08A max. (A2 coating acceptable).
Camber (in any 10 feet)	1/16 inch.
Coil Size I.D	20 inches.

MAGNETIC PROPERTIES

Core Loss (1.5T/60 Hz) NAAS	3.8 Watts/Pound max.
Permeability (1.5T/60 Hz) NAAS	1700 gauss/oersted typical, 1500 minimum.

- Certain aperture mask steel, which has an ultra-flat surface flatness and which meets the following characteristics:

Thickness: 0.025 to 0.245 mm

Width: 381–1000 mm

CHEMICAL COMPOSITION

Element	C	N	Al
Weight %	<0.01	0.004 to 0.007	<0.007

• Certain annealed and temper-rolled cold-rolled continuously cast steel, which meets the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S	Si	Al	As	Cu	B	N
Min. Weight %	0.02	0.20				0.03				0.003
Max. Weight %	0.06	0.40	0.02	0.023 (Aiming 0.018 Max.)	0.03	0.08 (Aiming 0.05)	0.02		0.08	0.008 (Aiming 0.005)

Non-metallic Inclusions: Examination with the S.E.M. shall not reveal individual oxides >1 micron (0.000039 inch) and inclusion groups or clusters shall not exceed 5 microns (0.000197 inch) in length.

Surface Treatment as follows:

The surface finish shall be free of defects (digs, scratches, pits, gouges, slivers, etc.) and suitable for nickel plating.

SURFACE FINISH

	Roughness, RA microinches (micrometers)		
	Aim	Min.	Max.
Extra Bright	5 (0.1)	0 (0)	7 (0.2)

• Certain annealed and temper-rolled cold-rolled continuously cast steel, in coils, with a certificate of analysis per Cable System International ("CSI") Specification 96012, with the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S
Max Weight %	0.13	0.60	0.02	0.05

PHYSICAL AND MECHANICAL PROPERTIES

Base Weight	55 pounds.
Theoretical Thickness	0.0061 inch (+/ – 10 percent of theoretical thickness).
Width	31 inches.
Tensile Strength	45,000–55,000 psi.
Elongation	minimum of 15 percent in 2 inches.

• Concast cold-rolled drawing quality sheet steel, ASTM a-620–97, Type B, or single reduced black plate, ASTM A–625–92, Type D, T–1, ASTM A–625–76 and ASTM A–366–96, T1–T2–T3 Commercial bright/luster 7a both sides, RMS 12 maximum. Thickness range of 0.0088 to 0.038 inches, width of 23.0 inches to 36.875 inches.

• Certain single reduced black plate, meeting ASTM A–625–98 specifications, 53 pound base weight (0.0058 inch thick) with a Temper classification of T–2 (49–57 hardness using the Rockwell 30 T scale).

• Certain single reduced black plate, meeting ASTM A–625–76 specifications, 55 pound base weight, MR type matte finish, TH basic tolerance as per A263 trimmed.

• Certain single reduced black plate, meeting ASTM A–625–98 specifications, 65 pound base weight (0.0072 inch thick) with a Temper classification of T–3 (53–61 hardness using the Rockwell 30 T scale).

• Certain cold-rolled black plate bare steel strip, meeting ASTM A–625 specifications, which meet the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S
Max. Weight %	0.13	0.60	0.02	0.05

PHYSICAL AND MECHANICAL PROPERTIES

Thickness	0.0058 inch ±0.0003 inch.
Hardness	T2/HR 30T 50–60 aiming.
Elongation	≥15%.

PHYSICAL AND MECHANICAL PROPERTIES—Continued

Tensile Strength	51,000.0 psi ±4.0.

• Certain cold-rolled black plate bare steel strip, in coils, meeting ASTM A–623, Table II, Type MR specifications, which meet the following characteristics:

CHEMICAL COMPOSITION

Element	C	Mn	P	S
Max. Weight %	0.13	0.60	0.04	0.05

PHYSICAL AND MECHANICAL PROPERTIES

Thickness	0.0060 inch (±0.0005 inch).
Width	10 inches (+¼ to ⅜ inch/−0).
Tensile Strength	55,000 psi max.
Elongation	Minimum of 15 percent in 2 inches.

• Certain "blued steel" coil (also known as "steamed blue steel" or "blue oxide") with a thickness of 0.30 mm to 0.42 mm and width of 609 mm to 1219 mm, in coil form;

• Certain cold-rolled steel sheet, coated with porcelain enameling prior to importation, which meets the following characteristics:

Thickness (nominal): ≤0.019 inch

Width: 35 to 60 inches

CHEMICAL COMPOSITION

Element	C	O	B
Max. Weight %	0.004		
Min. Weight %		0.010	0.012

• Certain cold-rolled steel, which meets the following characteristics:

Width: >66 inches

CHEMICAL COMPOSITION

Element	C	Mn	P	Si
Max. Weight%	0.07	0.67	0.14	0.03

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	0.800–2.000
Min. Yield Point (MPa)	265
Max Yield Point (MPa)	365
Min. Tensile Strength (MPa)	440
Min. Elongation %	26

• Certain band saw steel, which meets the following characteristics:

Thickness: ≤ 1.31 mm

Width: ≤ 80 mm

CHEMICAL COMPOSITION

Element	C	Si	Mn	P	S	Cr	Ni
Weight %	1.2 to 1.3	0.15 to 0.35	0.20 to 0.35	≤0.03	≤0.007	0.3 to 0.5	≤0.25

Other properties:

Carbide: Fully spheroidized having >80% of carbides, which are ≤0.003 mm and uniformly dispersed

Surface finish: Bright finish free from pits, scratches, rust, cracks, or seams Smooth edges.

Edge camber (in each 300 mm of length): ≤ 7 mm arc height

Cross bow (per inch of width): 0.015 mm max.

• Certain transformation-induced plasticity (TRIP) steel, which meets the following characteristics:

Variety 1:

CHEMICAL COMPOSITION

Element	C	Si	Mn

CHEMICAL COMPOSITION—Continued

Min. Weight %	0.09	1.0	0.90
Max. Weight %	0.13	2.1	1.7

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	1.000–2.300 (inclusive).
Min. Yield Point (MPa)	320.
Max Yield Point (MPa)	480.
Min. Tensile Strength (MPa)	590.
Min. Elongation %	24 (if 1.000–1.199 thickness range). 25 (if 1.200–1.599 thickness range). 26 (if 1.600–1.999 thickness range). 27 (if 2.000–2.300 thickness range).

Variety 2:

CHEMICAL COMPOSITION

Element	C	Si	Mn
Min. Weight %	0.12	1.5	1.1
Max. Weight %	0.16	2.1	1.9

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	1.000–2.300 (inclusive).
Min. Yield Point (MPa)	340.
Max Yield Point (MPa)	520.
Min. Tensile Strength (MPa)	690.
Min. Elongation %	21 (if 1.000–1.199 thickness range). 22 (if 1.200–1.599 thickness range). 23 (if 1.600–1.999 thickness range). 24 (if 2.000–2.300 thickness range).

Variety 3:

CHEMICAL COMPOSITION

Element	C	Si	Mn
Min. Weight %	0.13	1.3	1.5
Max. Weight %	0.21	2.0	2.0

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	1.200–2.300 (inclusive).
Min. Yield Point (MPa)	370.
Max Yield Point (MPa)	570.
Min. Tensile Strength (MPa)	780.
Min. Elongation %	18 (if 1.200–1.599 thickness range). 19 (if 1.600–1.999 thickness range). 20 (if 2.000–2.300 thickness range).

- Certain cold-rolled steel, which meets the following characteristics:

Variety 1:

CHEMICAL COMPOSITION

Element	C	Mn	P	Cu
Min. Weight %				0.15
Max. Weight %	0.10	0.40	0.10	0.35

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	0.600–0.800

PHYSICAL AND MECHANICAL PROPERTIES—Continued

Min. Yield Point (MPa)	185
Max Yield Point (MPa)	285
Min. Tensile Strength (MPa)	340
Min. Elongation	31 (ASTM standard 31% = JIS standard 35%)

Variety 2:

CHEMICAL COMPOSITION

Element	C	Mn	P	Cu
Min. Weight %				0.15
Max. Weight %	0.05	0.40	0.08	0.35

PHYSICAL AND MECHANICAL PROPERTIES

Thickness Range (mm)	0.800–1.000
Min. Yield Point (MPa)	145
Max Yield Point (MPa)	245
Min. Tensile Strength (MPa)	295
Min. Elongation %	31 (ASTM standard 31% = JIS standard 35%)

Variety 3:

CHEMICAL COMPOSITION

Element	C	Si	Mn	P	S	Cu	Ni	Al	Nb, Ti, V, B	Mo
Max. Weight %	0.01	0.05	0.40	0.10	0.023	0.15–.35	0.35	0.10	0.10	0.30

PHYSICAL AND MECHANICAL PROPERTIES

Thickness (mm):	0.7
Elongation %: ≥	35

• Porcelain enameling sheet, drawing quality, in coils, 0.014 inch in thickness, +0.002, −0.000, meeting ASTM A–424–96 Type 1 specifications, and suitable for two coats.

The merchandise subject to this investigation is typically classified in the HTSUS at subheadings: 7209.15.0000, 7209.16.0030, 7209.16.0060, 7209.16.0090, 7209.17.0030, 7209.17.0060, 7209.17.0090, 7209.18.1530, 7209.18.1560, 7209.18.2550, 7209.18.6000. 7209.25.0000, 7209.26.0000, 7209.27.0000, 7209.28.0000, 7209.90.0000, 7210.70.3000, 7210.90.9000, 7211.23.1500, 7211.23.2000, 7211.23.3000, 7211.23.4500, 7211.23.6030, 7211.23.6060, 7211.23.6085, 7211.29.2030, 7211.29.2090, 7211.29.4500, 7211.29.6030, 7211.29.6080, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.19.0000, 7225.50.6000, 7225.50.7000, 7225.50.8010, 7225.50.8085, 7225.99.0090, 7226.19.1000, 7226.19.9000, 7226.92.5000, 7226.92.7050, 7226.92.8050, and 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and U.S. Customs Service (U.S. Customs) purposes, the written description of the merchandise under investigation is dispositive.

During our review of the petitions, we discussed the scope with the petitioners to ensure that the scope in the petition accurately reflects the product for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the Department's regulations (Antidumping Duties; Countervailing Duties; Final Rule, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for parties to raise issues regarding product coverage. The Department encourages all parties to submit such comments within 20 days of publication of this notice. Comments should be addressed to Import Administration's Central Records Unit at Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, D.C. 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and consult with parties prior to the issuance of the preliminary determination.

Determination of Industry Support for the Petitions

Section 771(4)(A) of the Act defines the "industry as the producers as a whole of a domestic like product. Thus, when determining the degree of industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (ITC), which is responsible for determining whether "the domestic industry has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to separate and distinct authority. In addition, the Department's determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to the law.[3]

[3] *See Algoma Steel Corp. Ltd., v. United States*, 688 F. Supp. 639, 642–44 (CIT 1988); *High Information Content Flat Panel Displays and Display Glass from Japan: Final Determination; Rescission of Investigation and Partial Dismissal of Petition*, 56 FR 32376, 32380–81 (July 16, 1991).

EXHIBIT 6

DE-STA-CO MANUFACTURING
ENGINEERED SOLUTIONS

ISO 9002/ QS 9000

250 Park Street, Troy, MI 48083
PO Box 5027, 48007
Tel (248) 733-5800

November 7, 2001

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Re: Section 201 Investigation on Certain Steel Products, Inv. No. TA 201-73

Dear Ambassador Zoellick:

My name is George Singos and I am the Purchasing Manager at DE-STA-CO Manufacturing, a global manufacturer of certain valve, tubular and other critical performance components for a variety of industries, including automotive, aerospace, marine, appliance and air conditioning. More specifically, we manufacture steel flapper valves for air conditioning units, primarily for the automotive industry. We purchase the majority of flapper valve steel for automotive air conditioning units from Sandvik Steel Company.

It is of the utmost importance that the quality of the flapper valve steel we use be superior. The function of the flapper valve is critical; it covers the porthole that allows the flow of gases that generates the cooling process. If the flapper valve bends in any way the unit may not be used. Because of this requirement, our customers have instructed us only to purchase flapper valve steel from certain approved sources. The only manufacturers of customer approved flapper valve steel are non-U.S. companies, including Sandvik. It is therefore crucial to our business to be able to use imported flapper valve steel.

Not only are there no approved U.S. manufacturers of flapper valve steel, we know of no domestic mills that even produce this product. Because no U.S. producers are eligible suppliers of flapper valve steel, it would seriously injure our business if imports of the high quality flapper valve steel on which we rely were restricted. Therefore, I respectfully request that flapper valve steel be excluded from any relief recommendation to the President.

Please do not hesitate to contact me at 248-733-5853 should you have additional questions regarding this matter.

Sincerely,

George Singos
DE-STA-CO- Manufacturing

EXHIBIT 7

FUSITE®

November 7, 2001

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Re: Section 201 Investigation on Certain Steel Products, Inv. No. TA-201-73

Dear Ambassador Zoellick:

I am writing on behalf of Fusite, Division of Emerson Electric. I am the Director of Procurement of the Fusite division. The Fusite division of Emerson Electric produced flapper valves for compressors used in air conditioners. Flapper valves are used for the release of gases in compressors, which in turn produces the cool air.

We produce components from flapper valve steel, which we purchase from Sandvik Steel Company. Sandvik Steel Company imports this product from its parent company in Sweden, AB Sandvik Steel. We purchase approximately $1 million in flapper valve steel from Sandvik Steel Company.

The reason that we purchase this steel from Sandvik Steel Company is two-fold. First, our customers specify the supplier of steel that we must use for the flapper valves. Second, there are only three suppliers of flapper valve steel in the entire world: Sandvik, Uddelholm, and Hitachi.

Not only are there no approved domestic suppliers of flapper valve steel, but no domestic producer even makes this material. The product is extremely difficult to produce because of the specifications for flatness and cleanliness. Moreover, unlike the market for normal steel products, the market for this product is small and the product is extremely specialized.

EMERSON
FUSITE DIVISION
EMERSON ELECTRIC CO.
6000 FERNVIEW AVENUE
CINCINNATI, OHIO 45212-1399
(513) 731-2020
FAC # 513-631-6456

Given the fact that no domestic producer makes flapper valve steel, it would be counterproductive to include the product in any remedy that the President will impose. Because no domestic producer makes flapper valve steel, any remedy that would include this product would only serve to hurt consumers such as ourselves. Therefore, I respectfully request that you exclude flapper valve steel from any relief recommended to the President.

Please do not hesitate to contact me if you require any additional information at 513 366-2215.

Sincerely,

Richard Vonderheide

EXHIBIT 8

TOKICO (USA) INC.
301 Mayde Road
Berea, Kentucky 40403-9777
(859) 986-2359
(859) 986-7114 fax

TOKICO

November 9, 2001

The Honorable Robert B. Zoellick
U.S. Trade Representative
600 17th Street, N.W.
Washington, DC 20508

RE: Section 201, Investigation on Certain Carbon and Alloy Steel Flat Products

TOKICO (USA), Inc. in Berea, KY is a manufacturer of suspension shocks and struts for the American Automobile Manufacturers. (O.E.M).

Tokico buys specific high carbon steel from Sandvik Steel Co., which is manufactured in Sweden. This product is used in the valving function of the shocks and struts, which assures a high quality of functionality.

According to our investigation, we have not found a domestic producer of the product who can assure the equivalent grade and quality of the Sandvik material. Therefore, we feel there should be no relief granted for this particular product.

Sincerely,

Kenneth Conrad
Purchasing Director

EXHIBIT 9

DELPHI
Automotive Systems

Global Purchasing
Metallic Raw Materials

November 13, 2001

Ambassador Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Re: Section 201 Investigation - Case No. TA-201-73

Dear Ambassador Zoellick:

My name is Eric Sandford and I am the Deputy Director of Raw Materials Purchasing at Delphi Automotive Systems ("Delphi"). We are a U.S. producer of advanced automotive components, systems and modules including shock absorbers. We are writing to urge you to exclude grade 20C steel produced by Sandvik Steel Company from any relief recommendations you make to the President with respect to the Section 201 case referenced above.

Grade 20C steel is a specialized form of steel that is only produced by a handful of companies worldwide. We purchase about 450 tons of grade 20C steel per year from Sandvik to manufacture valves used in shock absorber production. We have been buying grade 20C steel from Sandvik for many years because of the quality of Sandvik's product.

Delphi has no domestic producers certified to supply grade 20C for shock absorber valves. Few domestic mills produce a grade 20C material. The domestic producers have from time to time attempted to sell their grade 20C product to us; however, their products have never met our specifications. Specifically, the domestic mills could not meet our specifications for flatness. Flatness is an absolute requirement to ensure the valves within the body of the shock absorber do not leak fluids. Leaking shock absorbers is a major customer quality complaint that could lead to a major warranty or recall campaign. Delphi cannot sacrifice product material quality and product safety to our customers. Consequently, we have never been able to purchase this material from any domestic producer. As it is critical to our business to be able to manufacture superior quality shock absorbers, valves included, we respectfully request that you exclude Sandvik's grade 20C steel from any relief recommendations you make to the President.

Please call me at **248-267-5983** if you have any additional questions.

Sincerely,

Delphi Automotive Systems, Timberland Office Park 1450 West Long Lake, Troy, Michigan USA 48098
248-267-5983 Fax 248-267-5985 Email: eric.sandford@delphiauto.com

EXHIBIT 10

Daetwyler

INTERNET: www.daetwyler.com

US HEADQUARTERS
Max Daetwyler Corporation, 13420 Reese Blvd. West, Huntersville, NC 28078 ■ TEL: (704) 875-1200 FAX: (704) 875-0781

DAYTON DIVISION
Max Daetwyler Corporation, 4105 Executive Drive, Dayton, OH 45430-0181 ■ TEL: (937) 427-1022 FAX: (937) 427-1375

November 8, 2001

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 200508

Re: Section 201 Investigation on Steel

Dear Ambassador Zoellick:

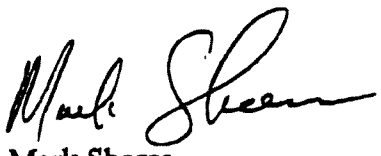
I am writing to you on behalf of Max Daetwyler Corporation, located in Huntersville, North Carolina. Max Daetwyler is a manufacturer equipment for the Graphic Arts industry, including cleaning systems, doctor blades, plating, finishing, engraving, material handling, and automation. We have 14 locations and employ 850 people worldwide. We purchase H/T spring steel from Sandvik Steel Company to make doctor blades, which are used in the printing industry. Because it is critical that we purchase H/T spring steel of a very high quality to make doctor blades, we are writing to request that you exclude Sandvik's H/T spring steel from any import relief you recommend to the President in the Section 201 case.

Doctor blades are precision, machined ground consumable slits of strip steel for use on printing presses. Each cylinder on a printing press has a doctor blade that removes the excess ink off of the cylinder which allows the cylinder to transport various inks to the sub-straight products such as paper, packaging material, or even floor covering. Our doctor blades are used on printing presses to print items such as magazines, advertisements, and product packaging. Our customers include American Greetings, RJR Nabisco, R.R. Donnelly & Sons, and Quebecor as well as sub-suppliers which supply Mars, Philip Morris, Coors, and other producers of high volume, high quality printed products. To work properly, a doctor blade must have a certain chemical/metallic composition that is crucial to its quality. If not made with certain appropriate grains of steel, the doctor blade will cause streaking on the printing press as the blade wears out, and the printed product will be unacceptable. We purchase about 40,000 kilograms of H/T spring steel from Sandvik per year. To the best of our knowledge, Sandvik is one of only two companies in the world that produce this product to the quality specifications our product demands.

Given that we must use such high quality steel to manufacture our products and we are unable to purchase steel of this quality from any U.S. manufacturers, it is very important to us to be able to import H/T spring steel from Sandvik. Therefore, we are asking that you exclude Sandvik's H/T spring steel from any import relief recommendations you make to the President in connection with the 201 case. If you would like to discuss this with us in more detail we would be happy to do so.

Daetwyler

Sincerely,



Mark Shores
Chief Financial Officer